

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: QWEST CORPORATION	DOCKET NO. M-272 (INU-00-2)
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ORDER REQUESTING COMMENTS

(Issued July 8, 2004)

On June 14, 2004, Ernst & Young LLP filed its "Report of Independent Accountants on Applying Agreed-Upon Procedures" in compliance with 47 U.S.C. § 272(b), (c), (d), and (e) Biennial Audit with the Utilities Board (Board). This audit report can be accessed and viewed on the Board's Web site, www.state.ia.us/iub.

The Federal Communications Commission (FCC), together with the State Biennial Oversight Team,¹ has been engaged in overseeing, monitoring, reviewing, and evaluating the audit work, results, and working papers of the independent accounting firm hired to perform the biennial audit required by 47 U.S.C. § 272(d) of the operations and activities of the Qwest operating telephone company and its § 272(d) affiliates. Qwest was required to provide access to the financial accounts

¹ Pursuant to 47 U.S.C. § 272(d), a company required to operate a separate affiliate under section 272 shall obtain and pay for a joint Federal/State audit every two years conducted by an independent auditor to determine compliance with regulations promulgated by the FCC and with the requirements of subsection (b) of 47 U.S.C. § 272. The Board is a member of the State Biennial Oversight Team for the biennial audit of Qwest; the team consists of several states where Qwest provides local exchange service.

and records of each company and its affiliates as necessary to conduct the audit.² Pursuant to 47 U.S.C. § 272(d)(3)(C), which provides that state commissions must implement appropriate procedures to ensure the protection of any proprietary information submitted, the Board issued a blanket grant of confidentiality for information generally described in an affidavit attached to Qwest's motion for confidential treatment dated July 7, 2003. However, the culminating audit report is not confidential.

The FCC designated Docket No. EB 03-198 for "all communications and proceedings for current and future Qwest Communications International, Inc. Section 272 Joint Federal/State Biennial Audits (Qwest Section 272 Biennial Audits)."³ Pursuant to 47 C.F.R. § 53.213(d), interested parties may file comments with the FCC. The FCC has set August 30, 2004, as the deadline for comments to be filed with the FCC. The Board will establish the same deadline for any comments to be filed with the Board and direct any party filing comments to serve a copy of the comments upon Qwest.

IT IS THEREFORE ORDERED:

1. The Executive Secretary of the Board is directed to mail a copy of this order to each person listed on the service list for Docket No. INU-00-2, U S West Communications, Inc., n/k/a Qwest Corporation.

² 47 U.S.C. § 272(d)(3).

³ Public Notice, DA 03-2872 (Sept. 11, 2003).

2. Any party wishing to file comments related to the Audit Report filed by Ernst & Young LLP and referenced in this order may do so on or before August 30, 2004, as described in this order.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 8th day of July, 2004.